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**TLG Conference 2014  
Case Study Submittal**

**Jurupa Valley, CA**

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JURUPA VALLEY



<b>CASE STUDY TITLE</b>	Curious how Alternative Service Delivery can create efficiencies & help with tough budget realities? Learn from California's only 100% contracted city, Jurupa Valley.
<b>CASE STUDY CATEGORY</b>	Performance Excellence
<b>JURISDICTION NAME</b>	City of Jurupa Valley, CA
<b>JURISDICTION POPULATION</b>	
<b>CITY/COUNTY MANAGER NAME</b>	Steve Harding, City Manager
<b>WOULD YOU LIKE THE APPLICATION TO BE CONSIDERED FOR AN INNOVATION AWARD?</b>	Not at this time. Jurupa Valley is considering becoming an AFI member and if so, then we would like to be considered
<b>WOULD YOU LIKE THE APPLICATION TO BE CONSIDERED FOR OUR RAPID FIRE SESSION?</b>	Yes, we can discuss the topic at a full session or as part of a rapid fire session.
<b>PROJECT LEADER (PRIMARY CONTACT FOR CASE STUDY NOTIFICATION)</b>	<ul style="list-style-type: none"><li>• George Wentz</li><li>• Assistant City Manager</li><li>• 951.332.6464</li><li>• <a href="mailto:Administration@JurupaValley.org">Administration@JurupaValley.org</a> or <a href="mailto:gwentz@hrgreen.com">gwentz@hrgreen.com</a></li><li>• 8304 Limonite Avenue Suite 'M', Jurupa Valley, CA 92509</li></ul>
<b>EACH PRESENTATION TEAM MEMBER</b>	<ul style="list-style-type: none"><li>• George Wentz</li><li>• Assistant City Manager</li><li>• 951.332.6464</li><li>• <a href="mailto:Administration@JurupaValley.org">Administration@JurupaValley.org</a> or <a href="mailto:gwentz@hrgreen.com">gwentz@hrgreen.com</a></li></ul> <p>NOTE THAT IF THIS TOPIC IS SELECTED FOR A FULL SESSION PRESENTATION, THE PRESENTING TEAM WILL LIKELY INCLUDE ADDITIONAL STAFF</p>





## Executive Summary of Proposal

Many cities that are forced to work within tighter budgets, but are challenged to improve decades-old infrastructure, are wishing for the opportunity to “start over”. Jurupa Valley, California is a unique case study in building a city from the ground up while taking advantage of Alternative Service Delivery (ASD) options.

Jurupa Valley was an unincorporated area in Riverside County, California, until voters approved a ballot measure in March of 2011 to incorporate the area and become a city. The City of Jurupa Valley, California was incorporated as a general law city effective July 1, 2011 after an effort by its residents that began in 2006. Jurupa Valley is the 28th city in Riverside County and newest city in California. The City is located approximately 50 miles southeast of Los Angeles. A community of communities, the City of Jurupa Valley joined together the unincorporated areas of Riverside County previously known as Mira Lorna, Glen Avon, Pedley, Indian Hills, Jurupa Hills, Sunnyslope, Crestmore Heights, Rubidoux, and Belltown. The new city covers approximately 46 square miles, with the borders running along the 15 freeway to the west, the Santa Ana River to the south and east and San Bernardino County to the north. As of January 1, 2012 the State Department of Finance lists the City's population at 96,456.

Jurupa Valley City Council members approved a two part contract with HR Green, Inc. (HR Green) to help transition services from the county to the city and then to operate the city's departments once the transition was completed.

To the best of our knowledge, the city of Jurupa Valley is the only 100% contracted city in the state of California. In order to efficiently transition to an incorporated local jurisdiction, Jurupa Valley City Council members approved a contract with a team of consultants for the delivery of services for all municipal operations. The City Council-Elect formed various committees prior to full incorporation to oversee key



functional areas of the City. Jurupa Valley government leaders worked with its consultant teams to identify alternatives for service delivery in three primary ways:

1. Search for ways to provide streamlined current workflow systems and processes.
2. Identify opportunities to share services or contracts with other organizations.
3. Utilize resources from a private sector company to cost effectively deliver municipal services.

Jurupa Valley is a prime example of successful municipal services delivered in an alternative way – through contract services. Consultant service contracts were executed and separated into three key areas to assure that appropriate checks and balances were in place: management, finance and operations. The consultant team worked together to secure the proper resources, identify best management practices and implement enhanced new systems wherever possible.

Because of the successful incorporation effort, the same consultant team had been selected to deliver the full range of City services that span city management and administration, finance, city clerk, planning, engineering, public works, building and safety and code enforcement - among others.



A consultant team can identify additional opportunities for a city due to its breadth of reach. As the desire for sustainability continues to grow, the team has helped to focus attention on achieving “green” initiatives, including potential e-Government systems and processes as well as identifying economic development opportunities to encourage businesses to establish operations within the new City.

The City of Jurupa Valley currently delivers all of its services through contract providers and has no direct city personnel. The willingness in allowing the freedom to deliver city services in alternative ways has proven very successful and has increased services to the community while reducing overall costs.

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### Alternative Service Delivery is also a Good Tool for Existing Cities and Counties

There are preliminary findings related to ASD within Jurupa Valley that have become evident.

- Increased service levels compared to those forecast reduced:
  - Operational costs by approximately 35%
  - Transition costs from County to City services – anticipated to be about 25%;
  - Costs in permit processing and inspection fees to applicants due to shorter turnaround times and lower costs – an estimated 20 – 35% reduction;
  - Time in responding to resident inquires and in processing development applications;
  - Turnaround times and costs for plan reviews;
- No legacy benefit costs (pension/retirement/ post-retirement healthcare etc.) usually associated with permanent city employees

The demand to do more with (or for) less places ongoing pressure on governments to deliver quality services even though revenues are shrinking. Leaders are re-thinking competition, re-inventing organizations, re-designing their models and re-shaping how to deliver services to their customers. The question is the same – Is there a better way of doing things, even though it may break from the norm?

Cities should also evaluate managed competition and shared service or contract models. There should be a discussion of the merits of the ASD approach and assess how they could be “best” employed by your city.

Key elements should be discussed for action such as:

- Are there services that are best suited for sharing by communities?
- What is the motivation to share and how can it benefit your city?
- What services can be regionalized and how large of a region is practical?

Local governments, regardless of age, are pressured to sustain the levels of service their community has come to expect. ASD can be an effective and viable option for all public agencies. To begin, local governments should examine its critical functions and determine the costs and effectiveness of those services. One may find opportunities to share services with an adjacent city or county, or may find that a private sector vendor would be a viable alternative.





## Case Study Description

### Intent of the Program

#### ***Transitioning Services from Riverside County to the Jurupa Valley***

Jurupa Valley needed to transition from an unincorporated entity to a City that is fully incorporated with functional departments and municipal operations within a two-month timeframe. HR Green served on-site as Interim Director of Operations and Transition Coordinator, working closely with the Interim City Manager throughout the transition, as well as Interim IT, Public Works, Street Maintenance, Code Enforcement and Parks and Recreation Directors. In this capacity, HR Green worked with City Council members and met with functional departments to identify best management practices for the new City and new systems to help it achieve “green” initiatives, including potential e-government systems and processes.

HR Green assisted the newly formed City with identifying and developing an operating budget, a strategic action plan, and planning and zoning codes and ordinances. Additionally, HR Green identified City Hall facilities and police and fire protection services and negotiated contracts on behalf of the City for both critical components.

### Cost of the Program

The average cost to implement the model development for internal transportability and customization is in the order of approximately \$950,000 depending on what services are included. This cost is offset by cost savings and increased cost recovery. Some agency implementation costs will be significantly less. The expected agency savings of 10-30% of the previous annual operating costs when implemented.

There are three levels of results to be derived:

- Immediate (1-3 months)
- Intermediate (3-12 months)
- Long Term (12 months and beyond)

Immediate results are reflected in the cost savings of contracting the initial services through a competitive process. Savings of 10-30% can be anticipated. Intermediate results are reflected in initial efficiencies gained by meeting the established service delivery measurements expected from the contracted service providers. Long term results are achieved by the combination of efficiencies gained by reduced bureaucracy, and optimizing the balancing of service delivery expectations versus costs.

### Savings as a Result of the Program

HR Green services included the assistant city manager under contract, planning, engineering, building safety code enforcement and all public works related field operations. In comparing first year costs for delivery of services related to operations to those of the County, there was a savings in operational costs of approximately 35%. Further, expenditure for construction of Capital Projects increased by 200%.

The City of Jurupa Valley currently operates with a total of 26 FTE positions. Based on a population in excess of 97,500, this is well below the average of a comparable city. The average range of comparable cities is 50 to 100 FTE positions. This has resulted in significant savings in personnel costs, including recurring long term costs for retirement benefits. For the time being, the city remains 100% contracted.







## Innovative Characteristics and How they Improved the Organization

The consultants that Jurupa Valley selected moved swiftly to transition the area from an unincorporated entity to a City that is fully incorporated with functional departments and municipal operations within a two-month timeframe. HR Green put together a team to serve as on-site as Interim City Manager, Interim Assistant City Manager/Director of Operations and Transition Coordinator, Interim IT, Public Works, Street Maintenance, Engineering, Planning, Code Enforcement and Building and Safety Directors. This team then transitioned into four separate contract service providers to maintain ongoing operations and to provide the proper checks and balances.

Through this contractual relationship with the contract providers, the City of Jurupa Valley is enjoying the following benefits:

- **Flexibility**
- **Cost Savings**
- **Performance and**
- **Expected Service Levels**

Additionally, the number of new development applications has increased since incorporation. One of the factors given by applicants is the improved response by the City in turnaround time in the processing of applications. This has increased revenues and improved the reputation of the City as an efficient operating public entity. Further, this has increased the City's ability to add additional public improvements due to new construction.



## Obstacle Encountered (If Any)

Some of the obstacles included convincing citizens to support a change and break from the traditional methods of delivering services. However, now that Jurupa Valley has been their own City for over two years, tax payers/residents have realized various benefits (see outcomes below).

## Outcomes – Cost Savings, for Citizens, Any Performance Information, etc.

- On the basis of service cost per capita, Jurupa Valley is one of the most efficient cities in Riverside County. Of 27 cities, Jurupa Valley ranks 26<sup>th</sup> in cost of service per capita, saving the city valuable resources.
- One of the innovative characteristics that Jurupa Valley now has is that the City can more effectively respond to changes in the needs of its constituency. As the need for some services diminish, the City simply decreases its assignments to their consultants. As the need for other services rises, the City can easily fill those needs through purchase orders with HR Green.
- One of the great outcomes of this innovative approach is that the turnaround times on plan reviews and inspections has greatly improved in comparison to the county processes that existed prior to incorporation. Currently, HR Green provides a 10-day response for normal plan reviews, and fulfills inspection requests within 24 hours.

## Applicable Results and Real-World Practicality

### ***Continued Operations of City Functions***

Jurupa Valley has the distinction of being the only city in California to provide 100% of its municipal services through contracts with ASD providers. HR Green continues to provide several crucial municipal services through an ASD contract. Currently, HR Green provides an Assistant City Manager and support staff to fulfill the following municipal functions in Jurupa Valley:



- **Building Safety:** Conduct plan reviews and construction inspections. Building plan reviews are checked for compliance with building codes and access requirements, as well as any adopted codes to promote sustainability.
- **Code Enforcement:** Provides personnel to manage complaints, investigates potential violations and enforces the city's codes.
- **City Engineering:** Performs plan review, NPDES and other permitting functions, traffic engineering, and solid waste contract management.
- **Public Works:** Functions as the Public Works Director responsible for street maintenance, development of a Capital Improvement Plan and overseeing the work of contractors for street construction.
- **Economic Development:** Gives leadership to the recruitment of new businesses to Jurupa Valley.

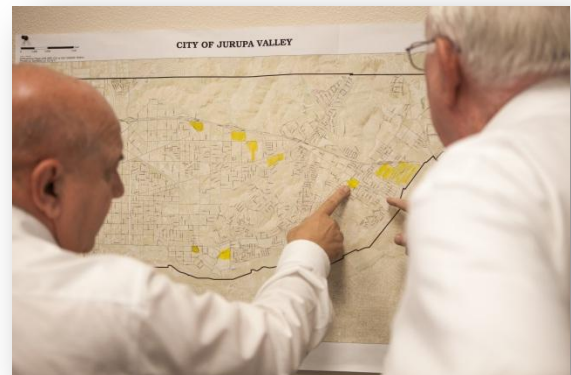
Through this contractual relationship, the City of Jurupa Valley is enjoying the following benefits:

- **Flexibility** – The City can more effectively respond to changes in the needs of its constituency. As the need for some services diminishes, the City simply decreases its assignments to HR Green. As the need for other services rises, the City can easily fill those needs through purchase orders with HR Green.
- **Cost Savings** – On the basis of service cost per capita, Jurupa Valley is one of the most efficient cities in Riverside County. Of 27 cities, Jurupa Valley ranks 26<sup>th</sup> in cost of service per capita.
- **Performance** – Turnaround time on plan reviews and inspections has greatly improved in comparison to the county processes that existed prior to incorporation. Currently, HR Green provides a 10-day response for normal plan reviews, and fulfills inspection requests within 24 hours.

## Was a Private Consultant Used?

Yes, to the best of our knowledge the city of Jurupa Valley is the only 100% contracted city in the state of California. HR Green was the responsible party for putting together the entire team serving the City, except for legal services. To maintain integrity in the delivery of services, and to maintain proper checks and balances, three main contracts were put into place. These contracts included city manager, Steve Harding, (Kosmont Inc. – email: [Administration@JurupaValley.org](mailto:Administration@JurupaValley.org)), finance, Alan Kreimeier (Urban Futures, Inc. – email: [Finance@JurupaValley.org](mailto:Finance@JurupaValley.org)) and operations, George Wentz (HR Green email: [Administration@JurupaValley.org](mailto:Administration@JurupaValley.org) or [gwentz@hrgreen.com](mailto:gwentz@hrgreen.com)).

HR Green services included the assistant city manager under contract, planning, engineering, building safety code enforcement and all public works related field operations. All can be contacted at the City of Jurupa Valley at 951.332.6464.



## Briefly Describe What Your Case Study Presentation Might Include

The presenters will provide an overview of the Jurupa Valley case study, lessons learned and valuable insight on various ASD approaches. The presenters will pose questions and topics to engage the audience. A Powerpoint presentation will likely be used as well as handouts can also be distributed that can include the presentation/case study highlights and helpful ASD Quick Start Guide and ASD Decision Matrix.